

**CITY COURT OF WINNFIELD
ANNUAL FINANCIAL REPORT**

DECEMBER 31, 2012

City Court of Winnfield, Louisiana
Financial Report
December 31, 2012

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Johnson, Thomas & Cunningham

Certified Public Accountants

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Honorable Judge Anastasia Wiley
City Court of Winnfield
P. O. Box 1342
Winnfield, Louisiana 71483

We have reviewed the accompanying financial statements of the governmental activities, major fund and the fiduciary funds of the City Court of Winnfield, a component unit of the City of Winnfield, as of and for the year ended December 31, 2012, which collectively comprise the City Court's basic financial statements as listed in the Table of Contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the City Court's personnel. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

The budgetary comparison information on page 24 is presented only for purposes of additional analysis and is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. The information included in the budgetary comparison has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any material modifications that should be made thereto.

The City Court of Winnfield has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of the basic financial statements.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated July 12, 2013, on the results of our agreed-upon procedures on page 25 through 27. Pages 28 through 29 present the Louisiana Attestation Questionnaire.

Johnson, Thomas & Cunningham, CPA's

Johnson, Thomas & Cunningham, CPA's

July 12, 2013

Natchitoches, LA 71457

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

City Court of Winnfield, Louisiana
Statement of Net Position
December 31, 2012

	Governmental Activities
ASSETS:	
Current Assets-	
Cash	\$4,191
Non-Current Assets-	
Capital Assets - Net of Accumulated Depreciation	<u>1,516</u>
Total Assets	<u>\$5,707</u>
LIABILITIES:	<u>\$ 0</u>
NET POSITION:	
Net Investment in Capital Assets	\$1,516
Unrestricted Net Position	<u>4,191</u>
Total Net Position	<u>\$5,707</u>

See accompanying notes and independent accountant's review report.

FUND FINANCIAL STATEMENTS

City Court of Winnfield, Louisiana
Balance Sheet-Governmental Fund
December 31, 2012

Assets:	
Cash	<u>\$4,191</u>
Total Assets	<u>\$4,191</u>
Liabilities:	
	\$ 0
Fund Balance:	
Unassigned	<u>4,191</u>
Total Liabilities and Fund Balance	<u>\$4,191</u>

See accompanying notes and independent accountant's review report.

City Court of Winnfield, Louisiana
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
December 31, 2012

Total Fund Balance for the Governmental Fund
at December 31, 2012 \$ 4,191

Amounts reported for Governmental Activities
in the Statement of Net Position is different because:

Capital Assets used in Governmental Activities are not
current financial resources and, therefore, are not
reported in the Governmental Funds Balance Sheet:

Equipment & Furniture	34,444
Less: Accumulated Depreciation	<u>(32,928)</u>

Total Net Position of Governmental Activities
at December 31, 2012 \$ 5,707

See accompanying notes and independent accountant's review report.

City Court of Winnfield, Louisiana
Statement of Revenues, Expenditures and Changes in Fund Balance-
Governmental Fund
Year Ended December 31, 2012

	<u>Total</u>
REVENUES:	
Fee, Charges and Commissions for Service- Court Costs, Fees & Charges	\$ <u>78,189</u>
EXPENDITURES:	
Current- Judicial-	
Personnel Services & Related Benefits	\$ 60,531
Operating Services	25,251
Materials & Supplies	<u>3,469</u>
Total Expenditures	\$ <u>89,251</u>
(Deficiency) of Revenues over Expenditures	\$(11,062)
Fund Balance-Beginning of Year	<u>15,253</u>
Fund Balance-End of Year	\$ <u>4,191</u>

See accompanying notes and independent accountant's review report.

City Court of Winnfield, Louisiana
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
for the Year Ended December 31, 2012

Net Change in Fund Balance-Governmental Fund	\$(11,062)
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Depreciation expense on Capital Assets is reported in the Government-wide Financial Statements, but does not require the use of current financial resources and is not reported in the Fund Financial Statements. Current year depreciation expense is	<u>(5,228)</u>
Change in Net Position per Statement of Activities	<u>\$(16,290)</u>

See accompanying notes and independent accountant's review report.

City Court of Winnfield, Louisiana
Statement of Fiduciary Net Position-
Agency Funds
December 31, 2012

	<u>Civil</u>	<u>Probation</u>	<u>Total</u>
Assets:			
Cash & Cash Equivalents	<u>\$9,090</u>	<u>\$22,725</u>	<u>\$31,815</u>
Total Assets	<u>\$9,090</u>	<u>\$22,725</u>	<u>\$31,815</u>
Liabilities:			
Unsettled Deposits	<u>\$9,090</u>	<u>\$22,725</u>	<u>\$31,815</u>
Total Liabilities	<u>\$9,090</u>	<u>\$22,725</u>	<u>\$31,815</u>

See accompanying notes and independent accountant's review report.

NOTES TO FINANCIAL STATEMENTS

City Court of Winnfield, Louisiana
Notes to Financial Statements
December 31, 2012

1. Introduction:

City courts are created under the authority of Chapter 7 of Title 13 of the Louisiana Revised Statutes (LSA-R.S.) and provide for territorial jurisdiction, powers, authority, functions, election or appointment, of the various city courts throughout the state. The City Court's criminal jurisdiction, as provided by LSA-R.S. 13:1894, is limited to the trial of offenses committed within its respective territorial jurisdiction that are not punishable by the imprisonment at hard labor, including the trial or cases involving the violation of any city or parochial ordinance. In addition, the judges may also require bonds to keep the peace; issue warrants of arrest; examine, commit, and admit to bail and discharge; and hold preliminary examinations in all non-capital cases. The City Court's civil jurisdiction, as provided by LSA-R.S. 13:1891, is established under the Louisiana Code of Civil Procedure.

The city judge, as provided by LSA-R.S. 13:1872, is elected for a six-year term and, except as otherwise provided in LSA-R.S. 13:1875, receives an annual salary payable monthly by the city and the parish, based upon the population of the territorial jurisdiction of the court.

The city clerk, as provided by LSA-R.S. 13:1884, is appointed by the city judge and serves at the pleasure of the judge until a successor is appointed and qualified. The clerk is responsible for the minute entries of the court, a docket of all proceedings in civil and criminal matters, and additional duties enumerated by law.

The city marshal, as provided by LSA-R.S. 13:1882, is elected for a six-year term and receives an annual salary as enumerated in LSA-R.S. 1883. The marshal is the executive officer of the court and executes the orders and mandates of the City Court. The marshal makes arrests, preserves the peace, and has the same authority, within his jurisdiction, as a sheriff.

The Winnfield City Court (the "City Court") is located in the City of Winnfield, Louisiana. The City of Winnfield provides the court with a courtroom and offices. The only officials of the City Court are the judge, marshal, and the clerk.

2. Summary of Significant Accounting Policies:

The accompanying basic financial statements of the Winnfield City Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, "Basic Financial Statements-and Management's Discussion and Analysis--for State and Local Governments", issued in June 1999.

City Court of Winnfield, Louisiana
Notes to Financial Statements
December 31, 2012

A. Reporting Entity-

As the municipal governing authority, for reporting purposes, the City of Winnfield is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (municipality), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the City of Winnfield for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body and
 - a. The ability of the primary government to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.
2. Organizations for which the primary government does not appoint a voting majority but are fiscally dependent on the primary government.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the City of Winnfield provides office space, courtrooms, and related utility costs, as well as partial funding of salary costs for the City Court, the City Court was determined to be fiscally dependent on the City of Winnfield and accordingly is considered to be a component unit of this financial reporting entity. The accompanying basic financial statements include only the funds maintained by the City Court Judge and do not present information on funds maintained by the City Marshal, nor do they present information on the City of Winnfield, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

City Court of Winnfield, Louisiana
Notes to Financial Statements
December 31, 2012

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the Winnfield City Court, which are considered to be governmental activities.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of the functions of the City Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fines, fees and charges paid by the recipients of services offered by the City Court and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

C. Fund Accounting-

The accounts of the Winnfield City Court are organized on the basis of funds, each of which is considered a separate accounting entity. The various funds are reported by generic fund types in the financial statements. Each fund operates with a group of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in the individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The City Court uses the following fund categories and fund types.

The funds of the City Court are described below:

Governmental Fund (Major)-

General Fund

The General Fund is the principal operating fund of the Winnfield City Court and accounts for its operations. The various fees and fines due to the City Court are accounted for in this fund. General operating expenditures are paid from this fund.

Fiduciary Fund-

Agency Funds

The Agency Funds account for assets that are held by the City Court in a custodial capacity pending their transfer to the proper recipient, as provided by Louisiana law. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

City Court of Winnfield, Louisiana
Notes to Financial Statements
December 31, 2012

D. Measurement Focus/Basis of Accounting-

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Position and the Statement of Activities display information about the City Court as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City Court considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

E. Assets, Liabilities, and Equity-

Cash and Cash Equivalents-

Cash and Cash Equivalents include amounts in demand deposits, interest-bearing demand deposits, and time deposits of the City Court. These deposits are stated at cost, which approximates market.

Capital Assets-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City Court maintains a threshold level of \$500 or more for capitalizing capital assets.

City Court of Winnfield, Louisiana
Notes to Financial Statements
December 31, 2012

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Furniture, computers, office equipment	5 years
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F. Compensated Absences-

Employees of the City Court do not accrue or "carry forward" vacation or sick leave, therefore no entry is made to record compensated absences.

G. Equity Classifications-

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net Investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net position - All other net resources that do not meet the definition of "restricted" or "net investment in capital assets, net of related debt".

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies unrestricted resources first, unless a determination is made to use restricted resources. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expense.

City Court of Winnfield, Louisiana
Notes to Financial Statements
December 31, 2012

In the fund statements, governmental fund equity is classified as fund balance and displayed in five components. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Judicial Fund of the City Court has an unassigned fund balance of \$4,191. If applicable, the City Court would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

H. Budget-

Prior to the beginning of each fiscal year, the City Court of Winnfield, Louisiana adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

I. Estimates-

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reported period. Actual results could differ from those estimates.

City Court of Winnfield, Louisiana
Notes to Financial Statements
December 31, 2012

J. Recently Issued and Adopted Accounting Pronouncements-

In June 2011, the GASB issued Statement 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions - an amendment of GASB Statement No. 53*. GASB 64 provides clarification on whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This statement is effective for periods beginning after June 15, 2011. The adoption of GASB 64 does not have any impact on the City Court's current financial statements.

In December 2010, the GASB issued Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements; Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This statement is effective for periods beginning after December 15, 2011. The adoption of GASB 62 does not have any impact on the City Court's financial statements.

In June 2011, the GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components; assets, deferred outflows of resources, liabilities and deferred inflows of resources. This statement is effective for periods beginning after December 15, 2011. The adoption of GASB 63 does not have any impact on the City Court's financial statements, other than to change the name of the Statement of Net Assets.

In November 2010, the GASB issued Statement 60, *Accounting and Financial Reporting for Service Concession Arrangements*. GASB 60 provides financial reporting guidance for service concession arrangements (SCAs). SCAs are defined as an arrangement between a transferor (a government) and an operator (governmental or nongovernmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure or another public asset (a "facility") in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. This statement is effective for periods beginning after December 15, 2011. The City Court does not have any SCAs and therefore the adoption of GASB 60 does not have any impact on the City Court's financial statements.

City Court of Winnfield, Louisiana
Notes to Financial Statements
December 31, 2012

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 properly classifies and recognizes certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012 although the City Court elected to early implement statement 65 in calendar year 2012. The adoption of GASB 65 does not have any impact on the City Court's financial statements.

3. Cash and Cash Equivalents:

For reporting purposes, cash and cash equivalents include demand deposits, time deposits, and certificates of deposit. At December 31, 2012, the City Court had cash and cash equivalents (collected bank balances) totaling \$49,313. Cash and cash equivalents are stated at cost, which approximates market. Under Louisiana law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a holding or custodial bank in the form of safekeeping receipts held by the City Court. The deposits at December 31, 2012, were fully secured by FDIC Insurance.

4. Capital Assets:

Capital asset balances and activity for the year ended December 31, 2012, is as follows:

Governmental Activities	Balance <u>01-01-12</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12-31-12</u>
Capital Assets:				
Furniture, computers, equipment	\$ 34,444	\$ 0	\$0	\$ 34,444
Less: Accumulated Depreciation:				
Furniture, computers, equipment	<u>(27,700)</u>	<u>(5,228)</u>	<u>0</u>	<u>(32,928)</u>
Net Capital Assets	<u>\$ 6,744</u>	<u>\$(5,228)</u>	<u>\$0</u>	<u>\$ 1,516</u>

Depreciation expense of \$5,228 was charged to the judicial function.

City Court of Winnfield, Louisiana
Notes to Financial Statements
December 31, 2012

5. Pension Plans:

Substantially all employees of the City Court are members of the Municipal Employees Retirement System of Louisiana or Louisiana State Employees' Retirement system. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees.

The City Clerk is a participant in the Municipal Employees Retirement System. The City of Winnfield pays the Clerk's salary and makes employer contributions to the System on behalf of the City Court.

The Judge participates in the Louisiana State Employees' Retirement System ("LASERS"). The City of Winnfield pays part of the Judge's salary.

6. Changes in Fiduciary Fund Type – Agency Fund Balances:

<u>Funds</u>	<u>Balance 01-01-12</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12-31-12</u>
Civil	\$15,786	\$ 35,909	\$ 42,605	\$ 9,090
Probation	<u>21,334</u>	<u>86,633</u>	<u>85,242</u>	<u>22,725</u>
Total	<u>\$37,120</u>	<u>\$122,542</u>	<u>\$127,847</u>	<u>\$31,815</u>

7. Litigation:

The Winnfield City Court was not involved in any litigation at December 31, 2012.

8. Subsequent Events:

Management has evaluated events through July 12, 2013, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED
SUPPLEMENTAL INFORMATION

City Court of Winnfield, Louisiana
Judicial Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2012

	Budget		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES:				
Court Costs, Fees & Charges	\$75,000	\$ 75,000	\$ 78,189	\$ 3,189
EXPENDITURES:				
Personnel Services/Benefits	\$40,000	\$ 55,000	\$ 60,531	\$(5,531)
Operating Services	15,000	25,000	25,251	(251)
Materials & Supplies	<u>7,000</u>	<u>7,000</u>	<u>3,469</u>	<u>3,531</u>
Total Expenditures	\$62,000	\$ 87,000	\$ 89,251	\$(2,251)
Excess (Deficiency) of Revenues over Expenditures	\$13,000	\$(12,000)	\$(11,062)	\$ 938
Fund Balance-Beginning of Year	<u>15,253</u>	<u>15,253</u>	<u>15,253</u>	<u>0</u>
Fund Balance-End of Year	\$28,253	\$ 3,253	\$ 4,191	\$ 938

See independent accountant's review report.

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Judge Anastasia Wiley
City Court of Winnfield
P. O. Box 1342
Winnfield, Louisiana 71483

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of the City Court of Winnfield, Louisiana and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the City Court of Winnfield's compliance with certain laws and regulations during the year ended December 31, 2012, included in the Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

PUBLIC BID LAW

1. Select all expenditures made during the year for materials and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures found to be in violation.

CODE OF ETHICS FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedures (3) were also included on the listing obtained from management in agreed-upon procedures (2) as immediate family members.

No violations found.

BUDGETING

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There was one amendment to the budget during the year.

6. Trace the budget and amendment adoption to the minute book.

Not applicable.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

Both actual revenues and expenditures for the year were within the 5% variance allowed.

ACCOUNTING AND REPORTING

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee:

We examined supporting documentation for each of the six disbursements and found that the payments were for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account:

Each disbursement appeared to be coded correctly.

- (c) determine whether payments received approval from proper authorities:

Inspection of supporting documentation showed written approval.

MEETINGS

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Not applicable.

DEBT

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or any other indebtedness which have not been approved by the State Bond Commission.

We inspected copies of all bank deposits for the period under examination and noted no deposits that appeared to be proceeds of bank loans, bonds, or other indebtedness that had not been approved by the State Bond Commission.

ADVANCES AND BONUSES

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advances, or gifts.

There were no payments that appeared to be either an advance or bonus.

Our prior report dated June 11, 2012, did not contain any comments or unresolved matters.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the City Court of Winnfield and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Johnson, Thomas & Cunningham, CPA's
Johnson, Thomas & Cunningham, CPA's

July 12, 2013
Natchitoches, Louisiana

WINNFIELD CITY COURT
LOUISIANA ATTESTATION QUESTIONNAIRE

Johnson, Thomas & Cunningham, CPA's
321 Bienville Street
Natchitoches, LA 71457

In connection with your review of our financial statements as of December 31, 2012, and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of June 28, 2013.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes No

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes No

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes No

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-16), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463, where applicable.

Yes No

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:1 through 42:13.

Yes No

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes No

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes No

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

Signed by and title Christopher Wiley